

SENATE CONCURRENT RESOLUTION No. 126

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED JULY 31, 2014

Sponsored by:

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

Senator JOSEPH PENNACCHIO

District 26 (Essex, Morris and Passaic)

Co-Sponsored by:

Senator Bateman

SYNOPSIS

Proposes constitutional amendment to dedicate portion of motor vehicle fees and surcharges to support State transportation system.

CURRENT VERSION OF TEXT

As introduced.



1 A **CONCURRENT RESOLUTION** proposing to amend Article VIII,
2 Section II, paragraph 4 of the New Jersey Constitution.

3
4 **BE IT RESOLVED** *by the Senate of the State of New Jersey (the*
5 *General Assembly concurring):*

6
7 1. The following proposed amendment to the Constitution of
8 the State of New Jersey is agreed to:

9
10 PROPOSED AMENDMENT

11
12 Amend Article VIII, Section II, paragraph 4 to read as follows:

13 4. There shall be credited to a special account in the General
14 Fund:

15 (a) for each State fiscal year commencing on and after July 1,
16 2007 an amount equivalent to the revenue derived from \$0.105 per
17 gallon from the tax imposed on the sale of motor fuels pursuant to
18 chapter 39 of Title 54 of the Revised Statutes;

19 (b) for the State fiscal year 2001 an amount not less than
20 \$100,000,000 derived from the State revenues collected from the
21 tax on the gross receipts of the sale of petroleum products imposed
22 pursuant to P.L.1990, c.42 (C.54:15B-1 et seq.) as amended and
23 supplemented, or any other subsequent law of similar effect, and for
24 each State fiscal year thereafter an amount not less than
25 \$200,000,000 derived from those revenues; **[and]**

26 (c) for the State fiscal year 2002 an amount not less than
27 \$80,000,000 from the State revenue collected from the State tax
28 imposed under the "Sales and Use Tax Act," pursuant to P.L.1966,
29 c.30 (C.54:32B-1 et seq.), as amended and supplemented, or any
30 other subsequent law of similar effect, for the State fiscal year
31 2003 an amount not less than \$140,000,000 from those revenues,
32 and for each State fiscal year thereafter an amount not less than
33 \$200,000,000 from those revenues; and

34 (d) for each State fiscal year commencing on and after July 1,
35 2016, an amount not less than \$400,000,000 derived from motor
36 vehicle fees and surcharges remitted to the General Fund by the
37 New Jersey Motor Vehicle Commission pursuant to section 105 of
38 P.L.2003, c.13 (C.39:2A-36), as amended and supplemented, or any
39 other subsequent law of similar effect;

40 provided, however, the dedication and use of such revenues as
41 provided in this paragraph shall be subject and subordinate to (a) all
42 appropriations of revenues from such taxes made by laws enacted
43 on or before December 7, 2006 in accordance with Article VIII,
44 Section II, paragraph 3 of the State Constitution in order to provide
45 the ways and means to pay the principal and interest on bonds of the

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 State presently outstanding or authorized to be issued under such
 2 laws or (b) any other use of those revenues enacted into law on or
 3 before December 7, 2006. These amounts shall be appropriated
 4 from time to time by the Legislature, only for the purposes of
 5 paying or financing the cost of planning, acquisition, engineering,
 6 construction, reconstruction, repair and rehabilitation of the
 7 transportation system in this State and it shall not be competent for
 8 the Legislature to borrow, appropriate or use these amounts or any
 9 part thereof for any other purpose, under any pretense whatever.
 10 (cf: Art. VIII, Sec. II, par. 4; amended effective December 7, 2006)
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12 2. When this proposed amendment to the Constitution is finally
 13 agreed to pursuant to Article IX, paragraph 1 of the Constitution, it
 14 shall be submitted to the people at the next general election
 15 occurring more than three months after the final agreement and
 16 shall be published at least once in at least one newspaper of each
 17 county designated by the President of the Senate, the Speaker of the
 18 General Assembly and the Secretary of State, not less than three
 19 months prior to the general election.
 20

21 3. This proposed amendment to the Constitution shall be
 22 submitted to the people at that election in the following manner and
 23 form:

24 There shall be printed on each official ballot to be used at the
 25 general election, the following:

26 a. In every municipality in which voting machines are not used,
 27 a legend which shall immediately precede the question as follows:

28 If you favor the proposition printed below make a cross (X), plus
 29 (+), or check (✓) in the square opposite the word "Yes." If you are
 30 opposed thereto make a cross (X), plus (+) or check (✓) in the
 31 square opposite the word "No."

32 b. In every municipality the following question:

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	YES	<p>CONSTITUTIONAL AMENDMENT TO DEDICATE PORTION OF MOTOR VEHICLE FEES AND SURCHARGES TO SUPPORT STATE TRANSPORTATION SYSTEM.</p> <p>Do you approve amending the Constitution to require at least \$400 million in motor vehicle fees and surcharges be used each year to fund the State transportation system?</p> <p>This would not change the amount paid by residents for any motor vehicle fee or surcharge.</p>
	NO	<p>INTERPRETIVE STATEMENT</p> <p>Fees and surcharges collected by the New Jersey Motor Vehicle Commission are kept by the commission for its expenses or given to the General Fund for use by the State.</p> <p>This amendment would require at least \$400 million in the fees and surcharges collected by the commission be given each year to fund the State transportation system. This money would go to the Transportation Trust Fund, instead of going to the General Fund.</p> <p>This amendment would not change the cost of any fee or surcharge collected by the commission.</p>

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STATEMENT

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6 This constitutional amendment requires that at least \$400 million
7 in motor vehicle fees collected by the New Jersey Motor Vehicle
8 Commission (commission) be annually appropriated to the
9 Transportation Trust Fund.

10 When the commission was created in 2003, it was established
11 that the revenues collected by the commission from various
12 statutory fees and surcharges are to be proportionately divided with
13 the commission receiving a portion for its operating expenses and
14 the remainder being remitted to the General Fund for general State
15 needs. This amendment would require that the various surcharges
16 and fees collected by the commission and remitted to the General

1 Fund be appropriated annually from the General Fund to the
2 Transportation Trust Fund.

3 Funds in the Transportation Trust Fund may only be used for the
4 purposes of paying or financing the cost of planning, acquisition,
5 engineering, construction, reconstruction, repair, and rehabilitation
6 of the transportation system in this State.

7 Based on current FY 2014 revenue estimates, the dollar value of
8 motor vehicle surcharges and fees was \$844 million, with \$438
9 million of those fees being remitted to the General Fund.